

**EUPE CORPORATION BERHAD***(Company No.: 377762-V)**(Incorporated in Malaysia under the Companies Act, 1965)***PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION****SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2015**

	3 Months Ended		3 Months Ended	
	Current Quarter 31 MAY 2015 RM '000	Corresponding Quarter 31 MAY 2014 RM '000	Current Period to date 31 MAY 2015 RM '000	Corresponding Period to date 31 MAY 2014 RM '000
1. Revenue	36,215	46,602	36,215	46,602
2. Profit/(loss) before tax	1,569	1,531	1,569	1,531
3. Profit/(loss) for the period	729	815	729	815
4. Profit/(loss) attributable to ordinary equity holders of the parent	775	731	775	731
5. Basic earnings/ (loss) per shares (sen)	0.61	0.57	0.61	0.57
6. Proposed/declared dividend per share (sen)	0.00	0.00	0.00	0.00

	AS AT END OF CURRENT QUARTER	AS AT PRECEEDING FINANCIAL PERIOD END
7. Net assets per share attributable to ordinary equity holders of the parent (RM)	2.23	2.22

**EUPE CORPORATION BERHAD***(Company No.: 377762-V)**(Incorporated in Malaysia under the Companies Act, 1965)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME****for the financial period ended 31 May 2015***(The figures have not been audited)*

	3 MONTHS ENDED		3 MONTHS ENDED	
	CURRENT QUARTER	CORRESPONDING QUARTER	CURRENT PERIOD TO DATE	CORRESPONDING PERIOD TO DATE
	31/05/2015 RM'000	31/05/2014 RM'000	31/05/2015 RM'000	31/05/2014 RM'000
REVENUE	36,215	46,602	36,215	46,602
COST OF SALES	(30,690)	(41,032)	(30,690)	(41,032)
GROSS PROFIT	5,525	5,570	5,525	5,570
OTHER OPERATING INCOME	230	2,708	230	2,708
MARKETING AND DISTRIBUTION COSTS	(771)	(3,654)	(771)	(3,654)
ADMINISTRATION EXPENSES	(2,306)	(2,276)	(2,306)	(2,276)
OTHER OPERATING EXPENSES	(809)	(834)	(809)	(834)
FINANCE COST	(300)	(332)	(300)	(332)
SHARE OF RESULT IN JOINT VENTURES	-	349	-	349
PROFIT BEFORE TAX	1,569	1,531	1,569	1,531
TAX EXPENSE	(840)	(716)	(840)	(716)
PROFIT FOR THE YEAR	729	815	729	815
UNREALISED GAIN / (LOSS) ON FOREIGN EXCHANGE	(55)	149	(55)	149
FOREIGN CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN OPERATION	(8)	14	(8)	14
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	666	978	666	978
PROFIT ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	775	731	775	731
MINORITY INTEREST	(46)	84	(46)	84
	729	815	729	815
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	712	894	712	894
MINORITY INTEREST	(46)	84	(46)	84
	666	978	666	978
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY:				
BASIC EARNINGS PER SHARE (SEN)	0.61	0.57	0.61	0.57
DILUTED EARNINGS PER SHARE (SEN)	0.61	0.57	0.61	0.57

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2014 and the accompanying explanatory notes attached to the financial Statements)

**EUPE CORPORATION BERHAD**

(Company No.: 377762-V)

(Incorporated in Malaysia under the Companies Act, 1965)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 May 2015**

(The figures have not been audited)

	AS AT 31/05/2015 RM'000	AS AT 28/02/2015 RM'000
ASSETS		
PROPERTY, PLANT AND EQUIPMENT	73,440	73,968
OTHER INVESTMENTS	13	13
LAND HELD FOR PROPERTY DEVELOPMENT	165,683	163,697
INVESTMENT PROPERTIES	33,327	33,230
INVESTMENTS IN JOINT VENTURES	3,854	3,639
DEFERRED PLANTATION EXPENDITURES	-	-
DEFERRED TAX ASSETS	1,076	1,121
CURRENT ASSETS		
Property development costs	79,891	78,118
Inventories	13,363	14,377
Trade and other receivables	68,889	60,753
Sinking and redemption funds	205	205
Tax recoverable	1,141	1,013
Cash and bank balances	12,723	16,719
	<u>176,212</u>	<u>171,185</u>
TOTAL ASSETS	<u>453,605</u>	<u>446,853</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	128,000	128,000
Reserves	156,881	156,169
	<u>284,881</u>	<u>284,169</u>
Minority interest	4,919	4,965
	<u>289,800</u>	<u>289,134</u>
LONG TERM AND DEFERRED LIABILITIES		
Borrowings	19,447	18,496
Deferred taxation	15,760	15,772
	<u>35,207</u>	<u>34,268</u>
CURRENT LIABILITIES		
Progress Billings	50,127	51,933
Trade and other payables	48,753	39,554
Provision for infrastructure & renovation cost	3,495	3,527
Borrowings	24,951	27,059
Tax liabilities	1,272	1,378
	<u>128,598</u>	<u>123,451</u>
TOTAL EQUITY AND LIABILITIES	<u>453,605</u>	<u>446,853</u>
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM)		
	<u>2.23</u>	<u>2.22</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2014 and the accompanying explanatory notes attached to the financial Statements)



EUPE CORPORATION BERHAD

(Company No.: 377762-V)
(Incorporated in Malaysia under the Companies Act, 1965)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the financial period ended 31 May 2015**

(The figures have not been audited)

	----- ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENTS -----					MINORITY INTEREST	TOTAL EQUITY
	Share capital	Share premium	Exchange Translation reserve	Retained profits	Sub-total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 March 2015	128,000	5,982	(17)	150,204	284,169	4,965	289,134
Additional minority interest' shares in subsidiary companies	-	-	-	-	-	-	-
Total comprehensive income	-	-	(8)	720	712	(46)	666
Dividend paid	-	-	-	-	-	-	-
Balance as at 31 May 2015	<u>128,000</u>	<u>5,982</u>	<u>(25)</u>	<u>150,924</u>	<u>284,881</u>	<u>4,919</u>	<u>289,800</u>
Balance as at 1 March 2014	128,000	5,982	13	139,001	272,996	5,088	278,084
Additional minority interest' shares in subsidiary companies	-	-	-	-	-	-	-
Total comprehensive income	-	-	14	880	894	84	978
Dividend paid	-	-	-	-	-	-	-
Balance as at 31 May 2014	<u>128,000</u>	<u>5,982</u>	<u>27</u>	<u>139,881</u>	<u>273,890</u>	<u>5,172</u>	<u>279,062</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2014 and the accompanying explanatory notes attached to the financial statement)

**EUPE CORPORATION BERHAD***(Company No.: 377762-V)**(Incorporated in Malaysia under the Companies Act, 1965)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW****for the financial period ended 31 May 2015**

(The figures have not been audited)

	3 MONTHS ENDED	
	31/05/2015	31/05/2014
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	32,030	42,926
Cash payments to suppliers and creditors	(29,643)	(35,174)
Cash payments to employees and for expenses	(7,075)	(6,138)
Cash generated from operations	<u>(4,688)</u>	<u>1,614</u>
Interest expenses - overdraft	(12)	(44)
Rental income received	65	71
Deposit received/(paid)	108	98
Insurance compensation received	-	98
Tax paid / (refund)	(944)	(476)
Net cash from operating activities	<u>(5,471)</u>	<u>1,361</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	89	181
Dividend received	-	-
Purchase of property, plant and equipment & IP	(460)	(1,111)
Proceed from disposal of property, plant and equipment	21	-
Proceeds from sales of Investment Property	-	-
Subsequent expenditure on investment properties	126	-
Deposit refund / (paid) for acquisition of land	-	-
Gain from foreign exchange -land deposit	-	-
Subscription in ordinary shares of subsidiaries	-	-
Investment from joint ventures	2,410	350
Other investment	990	-
Fixed deposits released from pledge / (pledge to licensed bank)	(21)	(414)
Net cash used in investing activities	3,155	(994)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of share capital	-	-
Dividend paid	-	-
Drawdown of revolving credit	-	344
Drawdown of term loan	2,001	-
Drawdown of hire purchase loan	-	450
Net creation of bankers' acceptance	237	378
Repayment of revolving credit	-	(3,590)
Repayment of term loan	(3,139)	(1,003)
Repayment of hire purchase loan	(257)	(500)
Term loan interest paid	(379)	(502)
Revolving credit interest paid	(79)	(81)
Discount paid on bankers' acceptance	(44)	(63)
Hire purchase interest paid	(32)	(27)
(Repayment to)/Advance from director	-	-
Net cash used in financing activities	<u>(1,692)</u>	<u>(4,594)</u>
Net increase in cash and cash equivalents	<u>(4,008)</u>	<u>(4,227)</u>
Effect of exchange rate changes	(9)	-
Cash and cash equivalents at beginning of financial year	12,683	18,211
Cash and cash equivalents at end of financial year	<u><u>8,666</u></u>	<u><u>13,984</u></u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2014 and the accompanying explanatory notes attached to the financial Statements)



EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2015

1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with FRS 134 Interim Financial Reporting and Chapter 9 Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 28 February 2015. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 28 February 2015.

2 Accounting policies

The accounting policies, methods of computation & basis of consolidation adopted by the Group in the unaudited condensed interim financial statements are consistent with the audited financial statements for the year ended 28 February 2015 except for the adoption of the following new / revised Financial Reporting Standards (FRS), Amendments to FRSs and Interpretations as follows:

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2015

- Amendments to FRS 1 First-time Adoption of Financial Reporting Standards
- Amendments to FRS 2 Share-based Payment
- Amendments to FRS 3 Business Combinations
- Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations – Changes in Method of Disposal
- Amendments to FRS 7 Financial Instruments: Disclosures – Servicing Contracts and Applicability of the Amendments to FRS 7 to Condensed Interim Financial Statements
- Amendments to FRS 8 Operating Segments
- Amendments to FRS 10 Consolidated Financial Statements – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to FRS 11 Joint Arrangements – Accounting for Acquisitions of Interest in Joint Operations
- Amendments to FRS 13 Fair Value Measurement
- FRS 14 Regulatory Deferral Accounts
- Amendments to FRS 116 Property, Plant and Equipment
- Amendments to FRS 119 Employee Benefits – Defined Benefit Plans: Employee Contributions
- Amendments to FRS 124 Related Party Disclosure
- Amendments to FRS 127 Separate Financial Statements – Equity Method in Separate Financial Statements
- Amendments to FRS 128 Investment in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to FRS 134 Interim Financial Reporting – Disclosure of Information ‘Elsewhere in the Interim Financial Report’



EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2015

- Amendments to FRS 138 Intangible Assets
- Amendments to FRS 140 Investment Property

The adoptions of the above FRSs, Amendment to FRSs and IC Interpretations are not expected to have any material impact on the financial statements of the Group.

Malaysian Financial Reporting Standards (MFRS Framework)

The Group and the Company fall under the Transitioning Entities provision granted by the MASB because it is within the scope of IC 15 Agreements for the Construction of Real Estate and FRS 141 Agriculture. On 2 September 2014, the MASB announced that all transitioning entities shall comply with Malaysian Financial Reporting Standards (MFRSs) for annual period beginning on or after 1 January 2017, thus the Group and the Company will adopt the MFRS Framework for annual period beginning on or after 1 January 2017.

The Group and the Company continued to prepare these financial statements for annual period beginning on 1 March 2014 in accordance with the FRSs issued by the MASB.

3 Audit Report Qualification

The audited reports for the financial year ended 28 February 2015 were not subject to any qualification.

4 Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

5 Exceptional or unusual items

There were no exceptional or unusual items for the current financial period.

6 Change in estimates of amounts reported previously

There were no changes in estimates reported in prior years that have a material effect on the current financial period.

7 Debt and equity securities

There were no other issuance, cancellation, repurchases, resale and repayments of debt and equity securities for the current financial period.

8 Dividend paid

There was no dividend paid during the current quarter and financial period to date.



EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2015

9 Segmental information

For 3 months ended 31 May 2015:

	Property Development RM'000	Property Construction RM'000	Chalet & Golf Management RM'000	Others RM'000	Total RM'000
Revenue	25,985	24,641	3,216	602	54,444
Inter-segment	-	(18,112)	-	(117)	(18,229)
	<u>25,985</u>	<u>6,529</u>	<u>3,216</u>	<u>485</u>	<u>36,215</u>
Segment Result	<u>2,057</u>	<u>521</u>	<u>(505)</u>	<u>(252)</u>	<u>1,821</u>
Interest income					48
Finance costs					(300)
Profit before taxation					<u>1,569</u>
Taxation					(840)
Profit for the period					<u>729</u>

For 3 months ended 31 May 2014:

	Property Development RM'000	Property Construction RM'000	Chalet & Golf Management RM'000	Others RM'000	Total RM'000
Revenue	19,079	38,133	2,980	1,921	62,113
Inter-segment	-	(14,141)	-	(1,370)	(15,511)
	<u>19,079</u>	<u>23,992</u>	<u>2,980</u>	<u>551</u>	<u>46,602</u>
Segment Result	<u>(910)</u>	<u>1,603</u>	<u>(943)</u>	<u>1,982</u>	<u>1,732</u>
Interest income					131
Finance costs					(332)
Profit before taxation					<u>1,531</u>
Taxation					(716)
Profit for the period					<u>815</u>

10 Valuation of property, plant and machinery

There were no valuation of property, plant and equipment carried out during the current financial period.

11 Valuation of investment properties

There were no valuation of property, plant and equipment carried out during the current financial period.



EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2015

12 Material events subsequent

There were no material events subsequent to the end of the current quarter that have not been reflected in the interim financial report.

13 Changes in composition of the Group

There were no changes in the composition of the Group during the financial period.

14 Changes in contingent liabilities and contingent assets

The changes in contingent liabilities since the last annual balance sheet date made up to 31 May 2015 are as follows: -

	As at 1.3.2015 RM'000	Addition / (Deletion) RM'000	As at 31.05.2015 RM'000
Guarantees given to licensed banks for credit facilities utilised by the subsidiary companies	<u>34,095</u>	<u>(402)</u>	<u>34,497</u>
Guarantees given to suppliers for credit facilities utilised by the subsidiary companies	<u>956</u>	<u>(336)</u>	<u>620</u>
Total guarantees given for credit facilities available to the subsidiary companies	<u>178,463</u>	<u>-</u>	<u>178,463</u>

The provision of financial assistance to third parties will not have any financial impact on the Company unless its subsidiary companies default on payments.

15 Capital commitments

The amount of capital commitments not provided for in the interim financial report as at 31 May 2015 is as follows:

	RM'000
Land held for property development:-	
Approved & contracted	<u>72,439</u>

16 Capital expenditures

The additions and disposals to the property, plant and equipment during the current financial year to date were as follows:

	RM'000
Purchase of property, plant and equipment	<u>460</u>



EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2015

Additional information required by the BMSB's Listing Requirements

1 Review of performance

For the quarter ended on 28 February 2015

The Group recorded a pre-tax profit of RM1.5 million (0.60 sen per share) for the first financial quarter, which was in line with the pre-tax profit result (RM1.5 million) achieved for the corresponding quarter of the previous year. The result for the 1QFY2016 was largely achieved on the back of steady construction progress for all on-going projects in the Group's property development division. Revenue for the quarter decreased 22.3% to RM36.2 million from RM46.6 million recorded for 1QFY2015. This decrease was largely due to a decline in revenue in the property construction division.

Property Development Division

The property development division recorded a RM2.9 million increase in pre-tax profit to RM2.0 million for 1QFY2016. This compared to a pre-tax loss of RM0.9 million for 1QFY2015. Over the period, revenue rose to RM26.0 million from RM19.1 million. This was due to improved sales take-up rate and steady construction progress of all on-going projects. The pre-tax loss of RM0.9 million recorded last year was due to expenses associated with a one-off major branding exercise to promote the company nationally.

Property Construction Division

The property construction division posted a lower pre-tax profit of RM397,000 for the quarter. This compared to RM1.5 million for corresponding quarter in the previous year. The pre-tax profit result reflected a decrease in division revenue from RM24.0 million last year, to RM6.5 million, due to one of its major construction projects reaching completion.

Chalet & Golf Management Division

The chalet & golf management division recorded an 8% rise in revenue to RM3.2 million for 1QFY2016, from RM3.0 million for 1QFY2015. As a result, its pre-tax loss improved from RM975,000 last year to RM535,000 in the quarter under review. The improvement in performance was due to growth in both room sales and F&B sales as well as on-going cost rationalisation.

Others

This segment recorded a pre-tax loss of RM340,000 for the quarter, compared to a pre-tax profit of RM1.9 million for the corresponding quarter last year, despite both quarters recording a similar revenue range (between RM500,000 to RM550,000). The better result posted for 1QFY2015 was a result of a revaluation of some assets within the Group's property portfolio.



**EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2015**

2 Variance of results against preceding quarter

The lower pre-tax profit of the Group for the quarter under review compared to that of the previous quarter (1QFY2016: RM1.5 million vs 4QFY2015: RM5.8 million) was largely due to the completion of some of its higher profit margin projects toward the end of the last financial year. This was reflected specifically in the results of property development division which recorded a decrease in pre-tax profit from RM6.6 million in 4QFY2015 to RM2.0 million in 1QFY2016 due to the staged nature of our project pipeline.

3 Current year / future prospects

The operating environment for the property industry remains challenging due to continuing uncertainties in the global economy, coupled with the weakening of the ringgit which has added additional uncertainties in the domestic market on top of the flow-on impacts from the recent introduction of the GST.

Despite these challenges, the Group remains on track to post satisfactory results for FY2016 based on its pipeline of on-going and upcoming launches, particularly the Group's first two major residential projects in Kuala Lumpur. These two projects combined with the Group's diversified mix of high-end and affordable residential projects in northern Malaysia underpins its on-going strategic focus to deliver quality homes to range of market segments, manage costs effectively and efficiently, while continuing to plan carefully for new projects and launches.

4 Profit forecast

There were no profit forecasts or profit guarantees for the current financial period to date.



EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2015

5 Taxation

	Current Quarter Q1 31 May 2015 RM'000	Preceding Quarter Q1 31 May 2014 RM'000	Current Period To-date 31 May 2015 RM'000	Preceding Period To-date 31 May 2014 RM'000
Current year taxation	853	735	853	735
Deferred taxation	(13)	(19)	(13)	(19)
	<u>840</u>	<u>716</u>	<u>840</u>	<u>716</u>

The effective tax rate for the financial period was higher than the statutory income tax rate in Malaysia due to the losses of certain subsidiaries that were not available for full set-off against taxable profits of other subsidiaries and certain expenses which were not deductible for tax purposes.

6 Status of corporate proposal

There was no corporate proposal that has been announced as at the date of this announcement.

7 Borrowings and debt securities

The Group borrowings & debts securities as at 31 May 2015 were as follows:

	Secured RM'000
Bank Overdrafts	2,328
Short Term Bank Borrowings	22,623
Long Term Bank Borrowings	19,447
	<u>44,398</u>

The Group has no borrowing and debt securities denominated in foreign currency.

8 Realised and unrealised profits / losses

The details of the Group retained earnings as at 31 May 2015 comprised as follows:

	As at 31.05.2015 RM' 000	As at 31.05.2014 RM' 000
Total retained earnings of the Company and its subsidiaries :		
- Realised profits	165,578	155,345
- Unrealised losses	(14,654)	(15,464)
Total retained profits as per consolidated accounts	<u>150,924</u>	<u>139,881</u>



EUPE CORPORATION BERHAD (377762-V)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2015

9 Changes in material litigation

There were no material litigations, which would have a material adverse effect on the financial results for the current financial period.

10 Dividend payable

The Board does not recommend the payment of any dividend for the current financial period.

11 Earnings per share

	Current Quarter RM	Period To-date RM
<i>Basic earnings per share</i>		
Net profit attributable to equity holders of the company (RM'000)	775	775
Weighted average number of ordinary shares ('000)	128,000	128,000
Basic earnings per share (sen)	0.61	0.61

12 Notes to the Statement of Comprehensive Income

	Current Quarter RM'000	Period To-date RM'000
Interest income	48	48
Interest expense	(300)	(300)
Other income	182	182
Depreciation and amortization	(3,502)	(3,502)
Provision for write off of receivables	(2)	(2)